## STATE OF CALIFORNIA

## BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY DEPARTMENT OF BUSINESS OVERSIGHT

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TO: Danny M. Katzka, Member, Manager, President/CEO Rising Energy Systems Corp, Member Carlin Trend Mining, LLC 260 Newport Center Drive Newport Beach, CA 92660

and

2082 Michelson Drive, Suite 100 Irvine, CA 92612

## **DESIST AND REFRAIN ORDER**

(For violations of section 25110 of the Corporations Code)

The Commissioner of Business Oversight ("Commissioner") finds that:

- 1. At all relevant times, Danny M. Katzka (hereinafter "Katzka") was Member, Manager, President/CEO of Carlin Trend Mining, LLC ("Carlin Trend Mining"), a Nevada company doing business in California at 260 Newport Center Drive, Newport Beach, California, with Executive Offices located at 2082 Michelson Drive, Suite 100, Irvine, CA, using a phone number of (949) 640-GOLD (4653), and (800) 381-3470, and operating on the Internet at www.CarlinTrendMining.net.
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- 24 | 2. The address for Carlin Trend Mining located at 260 Newport Center Drive, Newport Beach,
- 25 California is the same address used by Nevada Solar First TD, LLC, and by Rising Energy Systems
- 26 Corp ("Rising Energy Systems"), of which Katzka has been the Managing Member/CEO and
- 27 President respectively, and all of which were issued a Desist and Refrain Order by the Commissioner
- 28 on August 4, 2014 for securities law violations. Rising Energy Systems purportedly owns a 60%

interest in Carlin Trend Mining. Additionally, investors are asked to sign a New Member's Consent form binding them also to the terms of the Operating Agreement of Nevada Solar First TD, LLC.

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3. Beginning in or about June, 2012, Katzka, Carlin Trend Mining and Rising Energy Systems offered or sold securities in the form of units of Carlin Trend Mining.

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4. Through cold-calling and/or other means of general solicitation, Katzka, Carlin Trend Mining and Rising Energy Systems offered or sold 2,000 units at \$5,000 per unit to raise \$10 million.

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5. The purported purpose of the offering was to raise funds to "acquire the mineral rights to the Carlin Trend and begin extraction of the mineral largely consisting of gold ore and other minerals." Investors are told that Katzka's background is in the airline industry and that he originally sought the land for a solar energy project, but changed his mind and decided to use it for a gold mine instead. Investors are told they can expect to see returns beginning in about 18-24 months.

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6. These securities were offered or sold in this state in issuer transactions. The Department of Business Oversight has not issued a permit or other form of qualification authorizing any person to offer and sell these securities in this state.

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Based upon the foregoing findings, the California Commissioner of Business Oversight is of the opinion that the units of Carlin Trend Mining are securities subject to qualification under the California Corporate Securities Law of 1968 and is being or has been offered or sold without being qualified in violation of Corporations Code section 25110. Further, pursuant to section 25403 of the Corporations Code, any person who controls or induces another person to violate a provision of the Corporate Securities Law of 1968, or any person who provides substantial assistance to another person in the violation of the Corporate Securities Law of 1968, shall be liable for the violation. Pursuant to section 25532 of the Corporate Securities Law of 1968, Danny M. Katzka, Carlin Trend Mining, LLC and Rising Energy Systems Corp are hereby ordered to desist and refrain from the

1	further offer or sale in the State of California of securities in the form of units unless and until
2	qualification has been made under the law. This Order is necessary, in the public interest, for the
3	protection of investors and consistent with the purposes, policies, and provisions of the Corporate
4	Securities Law of 1968.
5	Dated: September 23, 2015 Sacramento, California
6	Sacramento, California
7	JAN LYNN OWEN
8	Commissioner of Business Oversight
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10	By MADY AND CMITH
11	MARY ANN SMITH Deputy Commissioner Enforcement
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